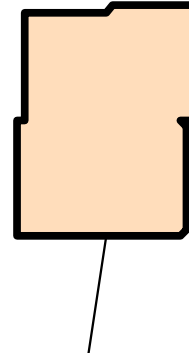
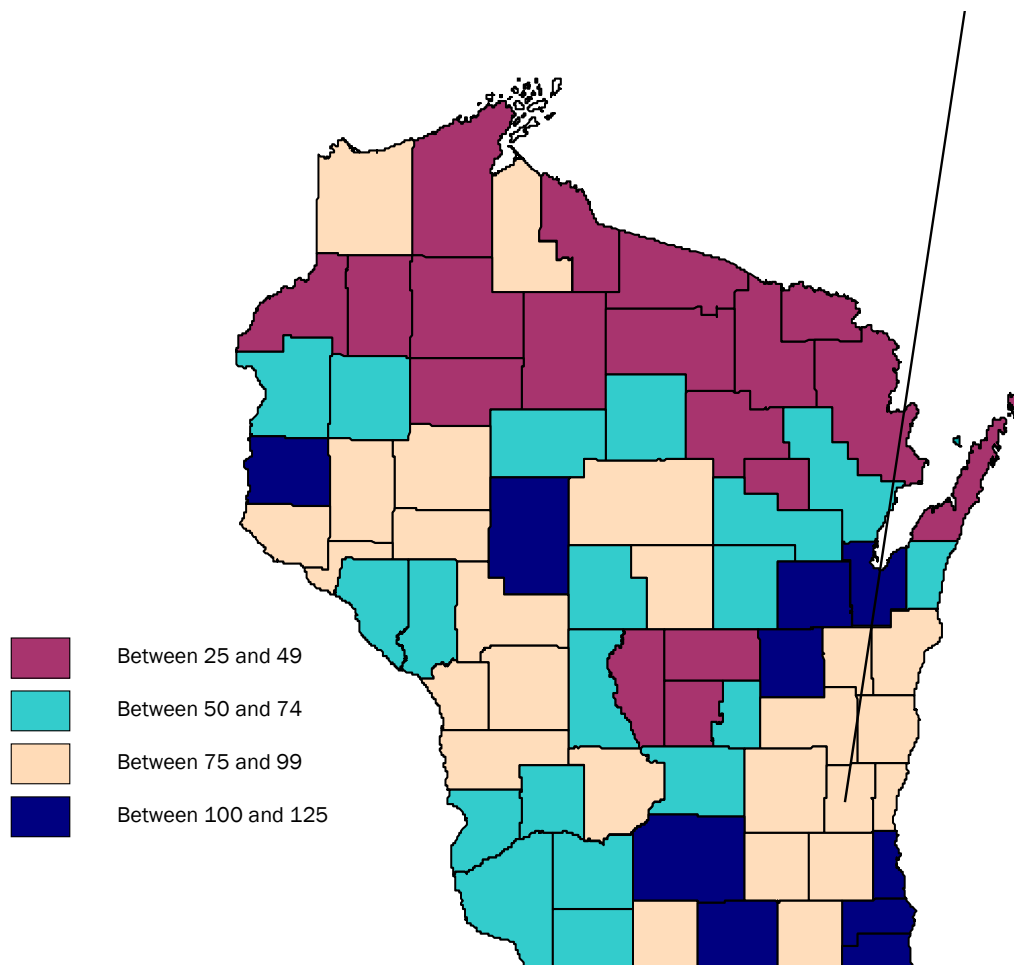


Washington County Workforce Profile



The number of residents aged 25-29 years for every
100 residents aged 60-64 years in year 2025



Source: Wisconsin Department of Administration, Demographic Services Center and the U.S. Bureau of Census.

For comparison, it is projected that there will be 90 residents aged 25-29 for every 100 residents aged 60-64 in Wisconsin in 2025. Nationally, it is projected that there will be 101 residents aged 25-29 for every 100 residents aged 60-64. In 2003, Wisconsin had 146 residents aged 25-29 for every 100 aged 60-64.



County Population

Washington County added over 6,100 residents over the last four years for growth of 4.7 percent and exceeding both the statewide and national growth rates. At 285 residents per square mile, Washington County has the ninth highest population density of the state's 72 counties. Like the other three counties of the Milwaukee-Waukesha Metropolitan Statistical Area, Washington is one part of the most densely populated portion of Wisconsin.

Total Population

	April 2000 Census	Jan. 1, 2004 estimate	Numeric change	Percent change
United States	281,421,906	292,287,454	10,865,548	3.9%
Wisconsin	5,363,715	5,532,955	169,240	3.2%
Washington County	117,496	123,587	6,091	5.2%
Largest Municipalities				
West Bend, City	28,152	29,039	887	3.2%
Germantown, Village	18,260	19,001	741	4.1%
Hartford, City*	10,895	12,064	1,169	10.7%
Richfield, Town	10,373	10,772	399	3.8%
Jackson, Village	4,938	5,678	740	15.0%
West Bend, Town	4,834	4,835	1	0.0%
Trenton, Town	4,440	4,595	155	3.5%
Slinger, Village	3,901	4,143	242	6.2%
Hartford, Town	4,031	4,023	-8	-0.2%
Polk, Town	3,938	4,011	73	1.9%

*Washington County portion

Source: Wis. Dept. of Administration, Demographic Services and U. S. Census Bureau

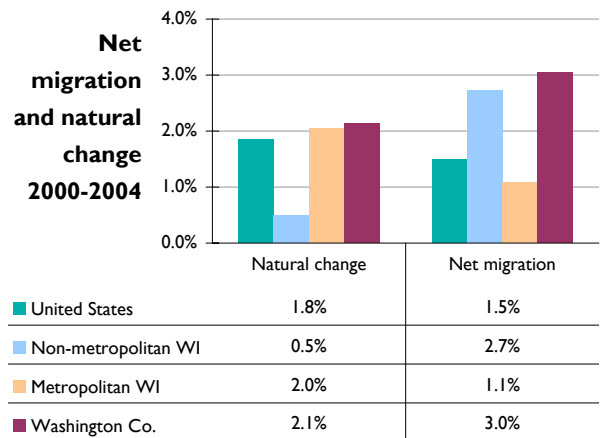
The county's population change has skewed heavily towards communities along State Highway 60 in the far west, such as the City of Hartford, and towards the east central portion of the county, like the Village of Jackson. These communities have easy access to the county's main thoroughfare, U.S. Highway 41, which divides the county diagonally. Smaller communities are growing faster because they have more land and newer housing stock, which has been attractive to migrating residents from Milwaukee and Waukesha counties. Forty-one percent of Washington County's population growth has come from natural increase; the remainder of growth resulted from net in-migration.

Projected changes in Washington's residential age composition are important as there will likely be no determinant to the future labor force that is more crucial than a local area's aging characteristics. The graph to the immediate right plots Washington County's projected population by age group in 2005 and 2030. A quick summary of this graph

states that population will grow amongst most of the age groups, though not uniformly.

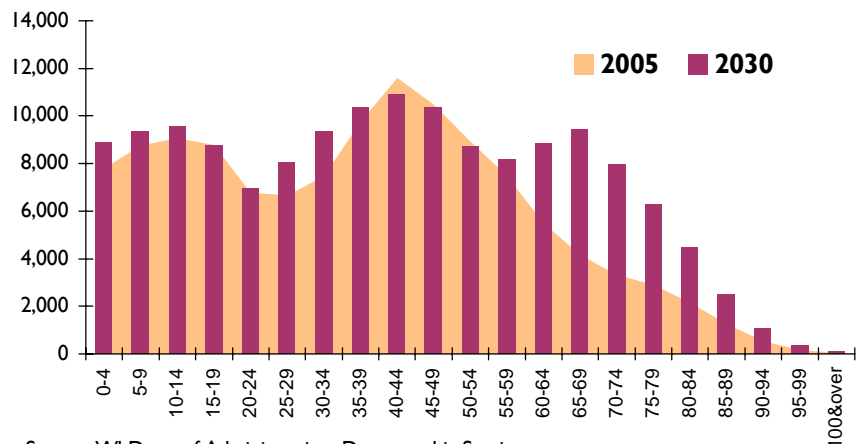
A more detailed analysis shows that the county's total population is expected to grow 22 percent over the next 25 years, which is considerably faster growth than the statewide projection of 15 percent. It should be noted that Washington's forecast is slower than the growth measured between 1990 and 2000, a ten-year period.

Broad age-group projections estimate that the number of residents age 19 years and younger will increase by six percent over the next 25 years. Those in their prime working years, ages 20 to 59 years, will increase five percent in number. The presence of people ages 60 and older is projected to increase 105 percent by 2030. From a compositional standpoint, those 19 and younger will decrease from 28 percent of the total population to 24 percent. The 20 to 59 year olds will decrease from 56 percent to 48 percent of the total population. And those ages 60 years and older will



Source: WI Dept. of Admin., Demographic Services and U. S. Census Bureau

Population by Age Groups in Washington County



Source: WI Dept. of Administration, Demographic Services

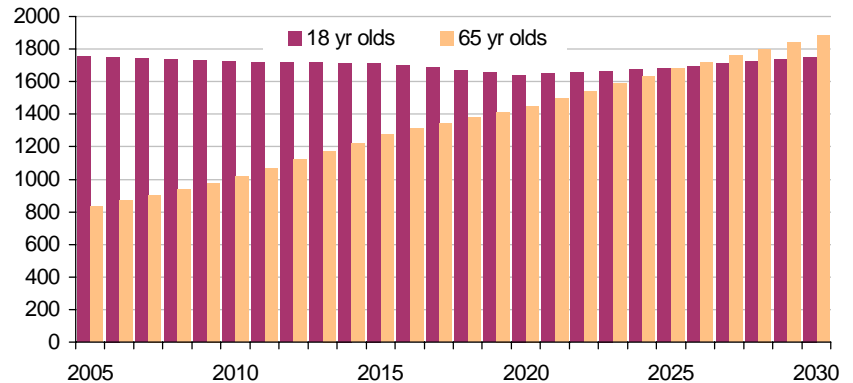
Future Population and Labor Supply

increase from 16 percent to 27 percent of the total population.

The graph to the right shows a more precise example of how changes in the county's age composition will affect its potential workforce. The graph plots the number of those age 18 and age 65 each year from 2005 to 2030. One will notice that the number of those age 18 will remain constant over time, while those age 65 will double and outnumber the 18 year olds by 2030. While this is just a small "slice" of the population, it is representative of age patterns to come with regard to the numbers of those entering and exiting the workforce. The baby boomers are the largest generation in U.S. history. The youngest baby boomers at this time are 40 years old and the eldest are age 58. They have just approached their retirement years. Baby boomers' offspring were not nearly as plentiful in number as their parents and this generation has continued the trend of lower birth rates and smaller families.

Generational disparities like this present a number of issues to address. The coming years will likely see more pronounced labor shortages compared to the 1990s (and currently), particularly in occupations that tend to be filled by those of a certain age, gender, educational background or combination thereof. Another issue is that as the population ages; the economy changes. As residents age, they place different levels of demand on the community's providers of goods and services, i.e., health services, retail trade, leisure and hospitality, etc., than they did in previous years.

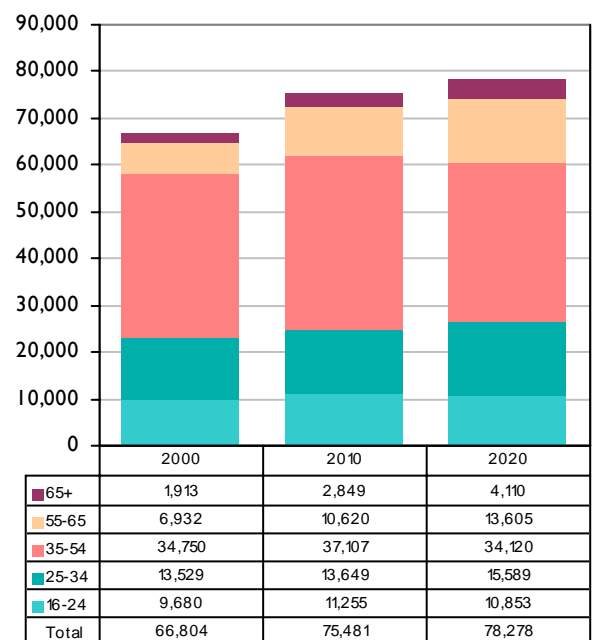
Convergence of 18 & 65 year old population in Washington County



Source: WI Dept. of Administration, Demographic Services

The labor force will be older on average, though it is uncertain whether workers will remain in the labor force longer than they are currently. Trends suggest that workers are retiring at younger ages. Retirement is a subjective term and many who retire rejoin the workforce, though usually in a reduced capacity. But this is a very small portion of the workforce as the labor force participation rate of those 65 years and older is low. For example it is estimated that only about 30 percent of those aged 65-69 in Washington County are in the labor force. At ages 70 years and older, this percentage approaches the 'teens as one might expect.

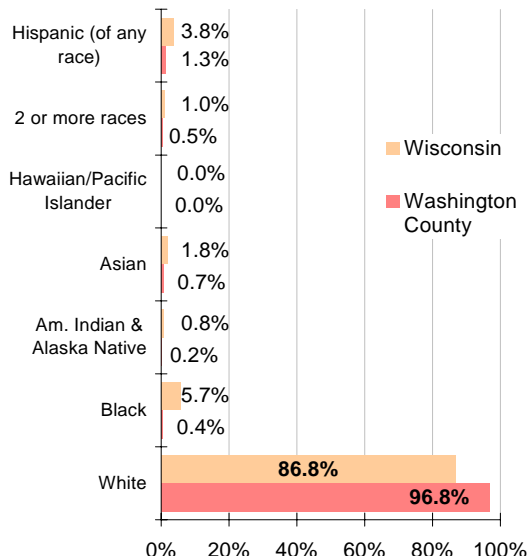
Washington County Labor Force Projections by Age



Decade change	27.2%	13.0%	3.7%
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Source: DWD, Office of Economic Advisors, August 2004

Race and ethnic distribution



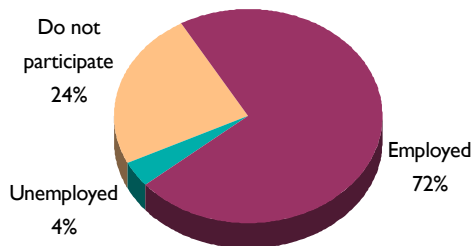
Source: U.S. Census Population Characteristics Estimates, 2002

Current Labor Force

Washington County's labor force, like many counties, has shown an increase in its unemployed over the last few years. Its historically low unemployment rates in the late 1990s, which in some months dipped below two percent, increased to the five percent mark in 2003. At the time of publication in 2004, the unemployment rate has decreased to a level considerably lower than in 2003.

The county's labor force participation rate (LFPR) was 76.1

Labor force participation in Washington County

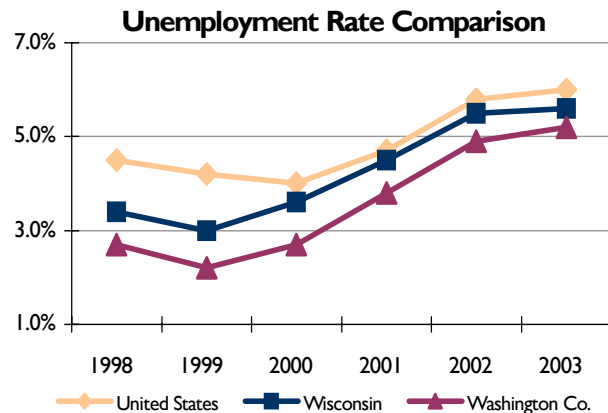


Source: DWD, Office of Economic Advisors, July 2004

percent in 2003. This increased slightly compared to 2002, but over a longer period of history it has declined from its peak in the late 1990s. It is still higher than the statewide and national averages, which were 72.9 and 66.2 percent, respectively, in 2003.

It is likely that Washington County's participation rate will gradually subside in the coming years and one can only guess as to how much lower it will fall. That being said, it is also likely that Washington's LFPR will still maintain its above average mark, but

will decline in earnest as members of the baby boom generation retire from the labor force in fuller stride. The relative lack of younger population over the next 25 years coupled with an older and retiring population will be the main contributor to this decline. The reason will be demographic and not necessarily economically structural or cyclical in nature.



Washington County Civilian Labor Force Data

	1998	1999	2000	2001	2002	2003
Labor Force	67,534	67,092	67,913	69,620	69,407	70,153
Employed	65,728	65,593	66,069	67,007	66,020	66,475
Unemployed	1,806	1,499	1,844	2,613	3,387	3,678
Unemployment Rate	2.7%	2.2%	2.7%	3.8%	4.9%	5.2%

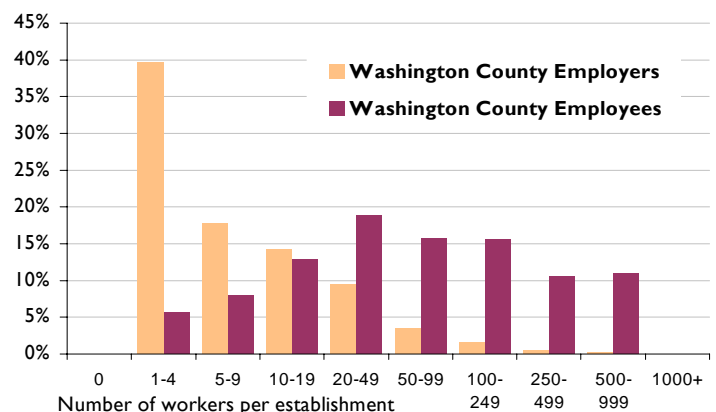
Source: WI DWD, Bur. of Workforce Information, Local Area Unemployment Statistics, 2003

Employers by Size

The majority of Washington County's employers are smaller as approximately 72 percent of them have between one and 19 employees. While this may seem to be an inordinately high share of smaller employers in the county it is actually a typical share. The term "small employer" is subjective as some define it as fewer than 500 employees, while others define it as fewer than 20 employees.

From the employee perspective, the highest share (19%) of the county's employees work in establishments that employ 20-49 workers. In broader terms, four of every ten Washington County workers works in an establishment with 100 or more workers. The number of employees per employer on average is 15 in Washington County. This is lower than the statewide average of 17 employees and higher than the national average of 13 employees per establishment.

Share of employers & employees in size range in 2003



Source: DWD, Bureau of Workforce Information, Table 221, July 2004

Industry & employers by size

Examination of a county's labor market from the demand (employer) point of view is essential to gauge the type of workforce employers are seeking. The tables below outline the top employing industries and the top employers by name and establishment size. The pie-graphs to the bottom indicate the prominence of these top industries and employers in terms of the county's total employment.

It is common for services-providing sectors to show the large-

est and fastest employment growth in both one- and five-year periods. Some goods-producing sectors, like manufacturing industries, may still show a large employment presence, but they may likely show a loss of employment over these time-frames, too. It is also common for many counties traditionally heavy in goods-producing employment to now have services-providers, particularly those in health and education services, as their larger employers and industry sectors.

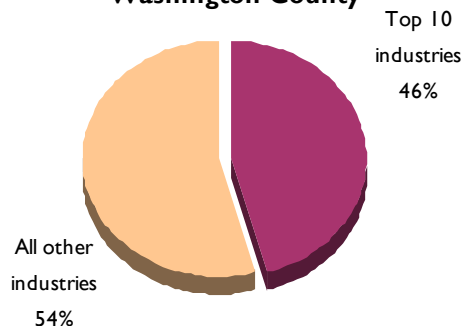
Top 10 Industries in Washington County

Industry	March 2004		Numeric Employment Change	
	Establishments	Employees	2003-2004	1999-2004
Food services & drinking places	167	3,450	74	189
Fabricated metal product manufacturing	82	3,229	10	-124
Educational services	22	3,221	-46	207
Machinery manufacturing	79	2,358	22	-588
Specialty trade contractors	355	2,148	125	362
Printing & related support activities	19	1,929	-169	-761
Administrative & support services	142	1,527	232	418
Executive, legislative, & gen government	20	1,489	2	88
Ambulatory health care services	92	1,465	16	583
Merchant wholesalers, nondurable goods	57	1,417	273	675

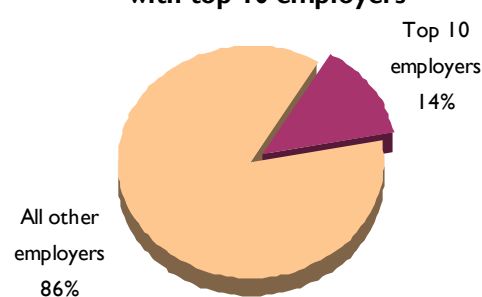
Top 10 privately owned Employers in Washington County

Establishment	Product or Service	Size (Dec. 2003)
Serigraph Inc.	Commercial lithographic printing	500-999 employees
Broan-Nutone LLC	Electric housewares and household fan mfg.	500-999 employees
Quad/Graphics Inc.	Commercial lithographic printing	500-999 employees
Regal Ware Inc.	Kitchen utensil, pot, and pan manufacturing	500-999 employees
Saint Joseph's Community Hospital	General medical and surgical hospitals	500-999 employees
Ultra Mart Foods Inc.	Supermarkets and other grocery stores	500-999 employees
Benevolent Corp. Cedar Campuses	Rooming and boarding houses	500-999 employees
West Bend Mutual Insurance Co.	Direct property and casualty insurers	500-999 employees
Sysco Food Services of Eastern Wisconsin	General line grocery merchant wholesalers	500-999 employees
Wal-Mart Associates Inc.	Warehouse clubs and supercenters	250-499 employees

Share of jobs in top 10 industries in Washington County



Share of Washington County jobs with top 10 employers

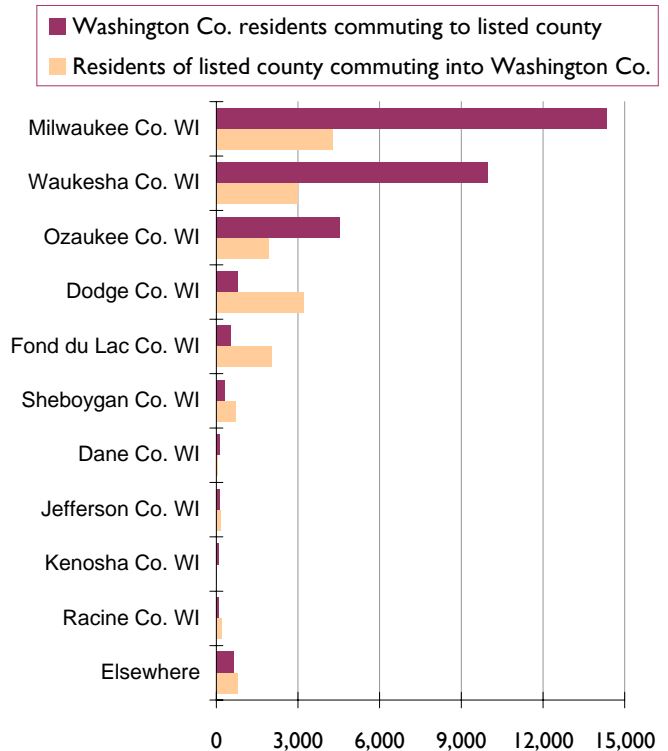


Source: DWD, Bureau of Workforce Information, Quarterly Census of Employment and Wages

Commuting

Washington County is part of the Milwaukee-Waukesha Metropolitan Statistical Area because of its residents' commuting patterns. In fact, metropolitan areas are defined almost exclusively by their commuting patterns. Close to one-half of all Washington County's employed work outside of Washington County. This amounts to about 32,000 total workers traveling primarily to Milwaukee, Waukesha and Ozaukee counties for work. Overall, the net commute in Washington County is negative, which is not a derogatory comment; it simply means that it exports more workers than it imports. This makes theoretical sense as Washington's employed labor force numbers over 66,000 and the number of jobs in the county numbers close to 49,000 total jobs.

Washington County is not just a bedroom community for the workers of Milwaukee and Waukesha counties, but it also has its own prominent, attractive employers. Washington County draws significant numbers of workers from Milwaukee, Waukesha and Ozaukee counties as well as Dodge, Fond du Lac and Sheboygan counties and attracts a higher number of workers from the latter three counties than it sends to for work. Over 16,000 workers commute into Washington County for employment, which roughly translates to one out of every three jobs in Washington County being held by someone who lives in another county.



Source: U.S. Census 2000, Special tabulations: Worker Flow Files

Key occupations & wages

The table to the right lists the occupations with the most employment in the Milwaukee-Waukesha MSA as of May 2003. Their hourly wages are also displayed.

The hourly wages shown include the mean (average) and the median (50th percentile), which are the most frequently requested occupational data. The 25th and 75th percentile wages are also included to help give an indication of entry-level and experienced worker wages, respectively. The 25th percentile indicates that 75 percent of the total workers in this occupation earn more per hour than this wage. The 75th percentile wage indicates that 25 percent of workers make more than this hourly wage.

If the mean and median wages are relatively close, the labor market for this worker is probably tight or very competitive for hiring employers. If the median is significantly below the mean, an employer offering mean wages should have an advantage in attracting workers. On the same hand, prospective workers will likely find a higher than average level of competition for these jobs.

Occupation title	Hourly Wages			
	Mean	Percentile		
		25 th	50 th	75 th
Retail salespersons	\$10.54	\$7.37	\$8.76	\$11.46
Cashiers	\$8.00	\$6.93	\$7.87	\$8.79
Janitors & cleaners, except maids & housekeeping	\$10.14	\$7.84	\$9.35	\$11.41
Office clerks, general	\$11.86	\$9.19	\$11.16	\$13.79
Registered nurses	\$24.46	\$20.94	\$24.29	\$27.52
Comb. food prep. & serving workers (fast food)	\$7.74	\$6.49	\$7.72	\$8.68
Customer service representatives	\$14.85	\$11.42	\$13.76	\$17.18
Laborers & freight, stock, & material movers, hand	\$11.03	\$7.97	\$9.96	\$12.97
Team assemblers	\$13.06	\$9.68	\$12.23	\$15.80
Bookkeeping, accounting, & auditing clerks	\$14.18	\$11.53	\$13.70	\$16.70
Nursing aides, orderlies, & attendants	\$10.60	\$8.97	\$10.58	\$12.31
Sales reps, whls. & mfg, except tech. & scientific	\$27.32	\$18.20	\$24.16	\$32.53
Secretaries, except legal, medical, & executive	\$12.95	\$10.47	\$12.67	\$15.26
Waiters & waitresses	\$7.66	\$6.02	\$6.74	\$9.05
Executive secretaries & admin. assistants	\$16.25	\$12.96	\$15.59	\$18.93
Stock clerks & order fillers	\$10.18	\$7.41	\$9.11	\$12.18
Truck drivers, heavy & tractor-trailer	\$17.80	\$14.98	\$17.46	\$20.80
General & operations managers	\$47.90	\$26.76	\$40.59	\$62.79
Elem. school teachers, except special ed.	*	*	*	*
1st-line suprvs/mgrs. of office & admin. support	\$22.20	\$15.69	\$20.14	\$26.63

Washington County is part of an area which includes Milwaukee, Waukesha, Ozaukee and Washington counties.

Source: DWD, Bureau of Workforce Information, Occupation Employment Statistics Survey 2003

Employment and Wages

The overall, annual average wages paid in Washington County are about five percent lower than the statewide average. Interestingly, Washington's annual average wages ranked 13th highest of the state's 72 counties in 2003. This exemplifies how highly skewed the state's annual average wages are towards its highest paying and largest employing counties. Washington's annual wages partially explain its higher than average rate of out-commute as it is adjacent to the two highest paying counties in the state, Waukesha (\$38,578/yr) and Milwaukee Counties (\$37,942/yr), respectively.

One will notice that two of Washington's industry sectors pay at or above the state average and the remaining sectors are lower paying. The annual wages an industry pays can depend upon many factors such as its geographic location, seasonal activity, presence of workers under collective bargaining agreements, etc. But an industry's most crucial wage component is its occupational composition. Some industries employ a relatively higher share of skilled/educated workers commanding higher salaries. Some industries employ a higher share of entry-level, part-time or seasonal workers.

The graph and table on the bottom of this page show that manufacturing is the largest employing sector in Washington

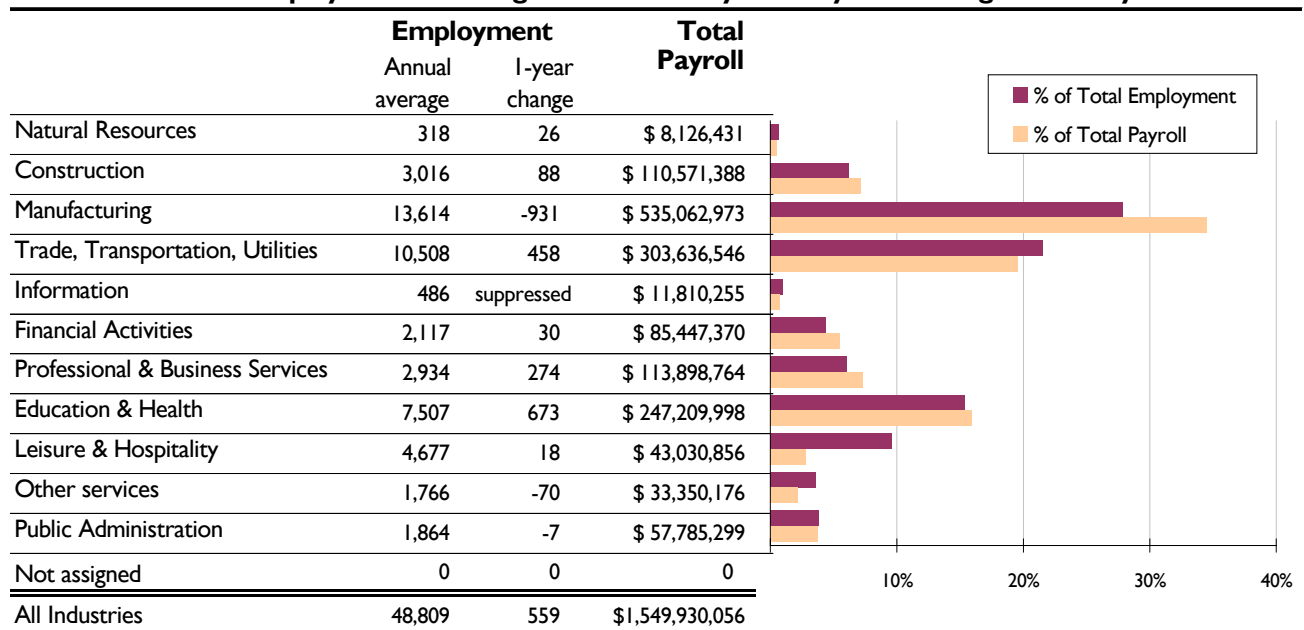
Average Annual Wage by Industry Division in 2003

	Average Annual Wage		Percent of	I-year
	Wisconsin	Washington County	Wisconsin	% change
All Industries	\$ 33,423	\$ 31,755	95.0%	5.1%
Natural resources	\$ 25,723	\$ 25,555	99.3%	3.1%
Construction	\$ 40,228	\$ 36,662	91.1%	1.1%
Manufacturing	\$ 42,013	\$ 39,302	93.5%	4.6%
Trade, Transportation, Utilities	\$ 28,896	\$ 28,896	100.0%	6.7%
Information	\$ 39,175	\$ 24,301	62.0%	Not avail.
Financial activities	\$ 42,946	\$ 40,362	94.0%	3.7%
Professional & Business Services	\$ 38,076	\$ 38,820	102.0%	13.2%
Education & Health	\$ 35,045	\$ 32,931	94.0%	6.3%
Leisure & Hospitality	\$ 12,002	\$ 9,201	76.7%	4.4%
Other services	\$ 19,710	\$ 18,885	95.8%	-1.7%
Public Administration	\$ 35,689	\$ 31,001	86.9%	6.5%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

County at 28 percent of total employment. In comparison, manufacturing pays a disproportionately higher 35 percent of the total wages within the county. The second largest employing sector; trade, transportation and utilities, composes about 22 percent of the county's jobs, yet pays a disproportionately lower share, about 20 percent, of the total wages paid by Washington's employers. The implied employment ranking on this page differs from page 4's 'Top Ten Industries' because page 4 lists very specific industries, whereas the data on this page are reported as sectors or divisions, which are an aggregate of specific industries.

2003 Employment and Wage Distribution by Industry in Washington County



Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2004

Per Capita Personal Income

Income is the resultant combination of all manners in which people or families or households obtain monies. The majority of a county's total income comes from wages earned at jobs. Washington County, as a whole, obtains a higher than average share of its total income from wages and from dividends, interest and rental income (graph, bottom right). It obtains a lower than average share of its total income from governmental transfer payments.

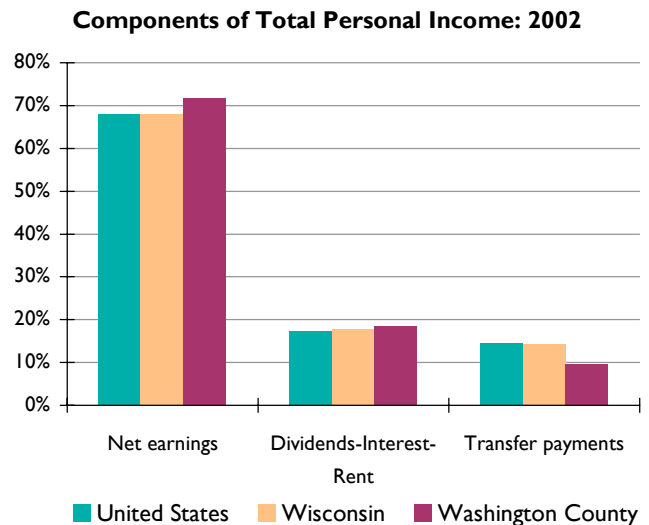
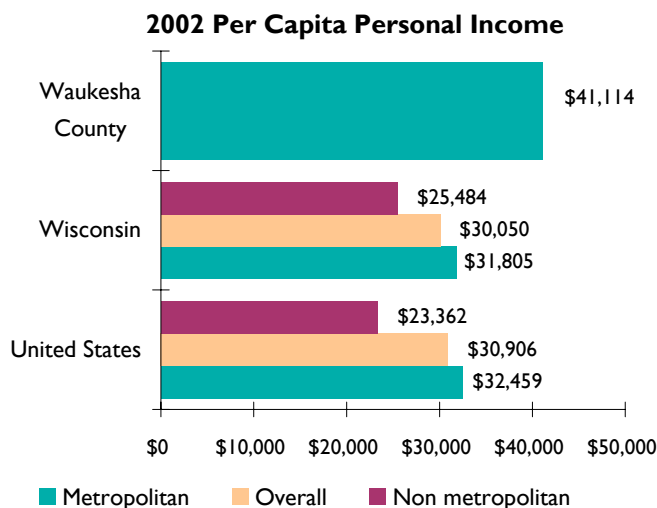
Per Capita Personal Income (PCPI) is the most utilized statistic in referencing a local area's comparative economic health. In 2002, Washington County had the fourth highest county-level PCPI in Wisconsin. Washington County is a good example of higher earnings premiums based upon com-

muting to higher paying counties. More specifically, the high PCPI in Washington County can be viewed in contrast to its generally lower than state average wages (page 6) as many workers travel to other counties earning high wages. Commuters bring these higher wages back into Washington County, therefore its higher PCPI.

Every county in the Milwaukee-Waukesha MSA is a member of the top ten highest PCPI in Wisconsin. Washington County's overall wages paid are the lowest of the metro area and its PCPI does not exceed the statewide mark as highly as the other three counties in the metro area. Though, Washington's PCPI growth has been faster than the state and national growth rates from 1997 to 2002.

	Per Capita Personal Income						Percent Change	
	1997	1998	1999	2000	2001	2002	1 year	5 year
United States	\$25,334	\$26,883	\$27,939	\$29,847	\$30,527	\$30,906	1.2%	22.0%
Wisconsin	\$24,514	\$26,175	\$27,135	\$28,573	\$29,361	\$30,050	2.3%	22.6%
Metropolitan WI	\$25,972	\$27,711	\$28,770	\$30,317	\$31,106	\$31,805	2.2%	22.5%
Washington County	\$26,454	\$28,384	\$30,037	\$31,780	\$32,271	\$32,638	1.1%	23.4%
In current dollars (adjusted to U.S. CPI-U)								
United States	\$28,397	\$29,670	\$30,170	\$31,181	\$31,010	\$30,906	-0.3%	8.8%
Wisconsin	\$27,478	\$28,889	\$29,301	\$29,850	\$29,825	\$30,050	0.8%	9.4%
Metropolitan WI	\$29,111	\$30,584	\$31,067	\$31,672	\$31,598	\$31,805	0.7%	9.3%
Washington County	\$29,651	\$31,327	\$32,435	\$33,201	\$32,782	\$32,638	-0.4%	10.1%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, May 2004



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2004

The county workforce profiles are produced annually by the Office of Economic Advisors in the Wisconsin Department of Workforce Development. The author of this profile and regional contact for additional labor market information is:

Eric Grosso
P.O. Box 7944
Madison, WI 53707
Phone: 608-266-7034
email: Eric.Grosso@dwd.state.wi.us

Metropolitan Statistical Area (MSA) - A single county or group of counties that include at least one urbanized area with a minimum population of 50,000. Multiple-county MSAs have a central county or counties, which have a high degree of social and economic integration with the other member counties as measured by commuting data.

Non-metropolitan county - Any county that is not a member of a metropolitan statistical area.

Net Migration - One of two components of population change. It is the net result of individuals who either moved into or out of an area.

Natural Change - One of two components of population change. It is the result of the number of births minus the number of deaths in an area over a period of time. A natural increase indicates there were more births than deaths. A natural decrease indicates there were more deaths than births.

Employed - Persons 16 years of age or older, who worked as paid employees, or worked in their own business, profession or farm, or worked 15 hours or more as unpaid workers in a family-operated enterprise. Includes those temporarily absent from their jobs due to illness, bad weather, vacation, childcare problems, labor dispute, maternity or paternity leave, or other family or personal obligations.

Unemployed - Persons 16 years of age or older with no employment, who were available for work and made efforts to find employment sometime during the previous 4-week period ending with the monthly reference week. Persons who were awaiting recall to a job did not need to look for work to be classified as unemployed.

Labor Force - The sum of the employed and unemployed, whom are at least 16 years of age and older.

Unemployment Rate - The number of unemployed divided by the labor force. It is expressed as a percentage of the labor force.

Labor Force Participation Rate (LFPR) - The labor force divided by the total population aged 16 years and older. It is expressed as a percentage of the population aged 16 years and older.

Suppressed - Data is withheld or suppressed if it does not meet certain criteria. If an industry in a county has fewer than three employers or if a single employer employs 80% or more that industry's total employment in that county then the data are suppressed. These criteria were established to maintain the confidential reporting of payroll and employment by employers.

Total Personal Income - The aggregate income of an area received by all persons from all sources. It is calculated as the sum of wage and salary disbursements (less contributions for government social insurance), supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts that include retirement and veteran's benefits, government paid medical reimbursements, and income maintenance program payments.

Per Capita Personal Income (PCPI) - Total personal income divided by the total population.

Current Dollars - Phrase used to express historical dollar values in terms of their current purchasing power via inflation adjustment.

CPI-U - Consumer Price Index for all urban consumers, the most commonly used measure of inflation in the United States.